

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA**
Newport News Division – In Admiralty

**FE PARTNERS, LLC, and
FOMENTO RESOURCES USA (LLC),**

Plaintiffs,

v.

Civil Action No: 4:16cv188

**CHESAPEAKE BOAT WORKS, LLC,
CHESAPEAKE MARINE RAILWAY, LLC,
JONATHAN M. FARINHOLT, and
RICHARD L. FARINHOLT II,**

Defendants.

AFFIDAVIT OF L. MICHAEL CANTOR

1. I, L. Michael Cantor, am a manager of FE Partners, LLC, and I make the statements in this affidavit based on my own personal knowledge, information, and belief. I am further authorized to make these statements on behalf of FE Partners, LLC.

2. In February 2015, FE Partners, LLC engaged E. Stanley Murphy, Esq. of the firm Dunton, Simmons & Dunton, LLP (“DSD”), located in White Stone, Virginia, to provide legal services related to the M/Y SEQUOIA, which was at that time, and has since remained, on the marine railway at Defendants’ facility at 548 Deagle’s Road, Deltaville, Virginia.

3. FE Partners retained Mr. Murphy to assist with, among other things, evaluation of the capacity and condition of the marine railway, negotiations with Defendants, issues related to the liens imposed by Defendants, and, ultimately, removal of the Vessel from the Defendant’s facility.

4. FE Partners also consulted with Mr. Murphy and requested advice about litigation in

Virginia, including the possibility of litigation against Defendants' landlord and the owners of the facility, Deagle's Marine Railway, Inc. and Rebecca D. Lengua ("the Deagles").

5. The attorney client relationship between FE Partners and Mr. Murphy continued from February 2015 until at least April 2016.

6. During this time, significant confidential information was shared by FE Partners with Mr. Murphy.

7. Mr. Murphy represented FE Partners in the same matter that ultimately resulted in the current litigation.

8. At the inception of the engagement, Mr. Murphy did not disclose to FE Partners that DSD also represented the Deagles.

9. Mr. Murphy subsequently informed FE Partners that DSD also represented the Deagles.

10. Mr. Murphy advised FE Partners that DSD represented the Deagles only with respect to certain trust and estate matters.

11. When I inquired about potential remedies against the Deagles, Mr. Murphy advised me FE Partners had no basis to sue the Deagles because Virginia law prevented FE Partners from seeking any relief from the Deagles.

12. Mr. Murphy informed me there was no adverse relationship between FE Partners and the Deagles, and repeatedly told me DSD had no conflict of interest.

13. Mr. Murphy never asked me to waive any conflict on behalf of FE Partners.

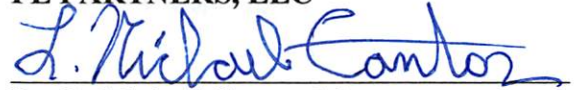
14. FE Partners retained new counsel in February 2016.

Pursuant to 28 U.S.C. § 1746, I solemnly declare under penalty of perjury that the foregoing statements are true and correct.

FURTHER AFFIANT SAYETH NAUGHT.

Executed the 18 day of June, 2018.

FE PARTNERS, LLC



By: L. Michael Cantor, Manager